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TITLE VIII § IMPACT AID

PURPOSE

SEC. 801. Section 8001 of the ESEA is amended to read as follows:

"PURPOSE

"SEC. 8001. The purpose of this title is to provide assistance to certain local educational agencies that are financially burdened as a result of activities of the Federal Government carried out in their jurisdictions, in order to help those agencies provide educational services to their children, including federally connected children, so that they can meet challenging State standards.".

PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY

SEC. 802. (a) ELIGIBILITY. Section 8002(a) of the ESEA is amended §

(1) in the matter preceding paragraph (1), by striking out "for a fiscal year ending prior to October 1, 1999" and inserting in lieu thereof "for any fiscal year"; and

(2) in paragraph (1) §

(A) in subparagraph (B), by striking out "and" at the end thereof;

1 (B) in subparagraph (C), by striking out "value
2 of" and all that follows through the end thereof and inserting
3 in lieu thereof "value of all real property in the local
4 educational agency (similarly determined as of the time or times
5 when the Federal property was so acquired); and"; and
6 (C) by adding at the end thereof a new
7 subparagraph (D) to read as follows:
8 "(D) has a current aggregate assessed value,
9 determined under subsection (b)(3), that is at least 10 percent
10 of the total current assessed value of all real property in the
11 local educational agency; and".
12 (b) REPEAL OF SPECIAL-INTEREST PROVISIONS. Section 8002
13 of the ESEA is further amended by □
14 (1) striking out subsections (d), (e), (f), (g), (i),
15 (j), and (k); and
16 (2) redesignating subsection (h) as subsection (d).
17 (c) HOLD-HARMLESS AMOUNTS. Subsection (d) of section 8002
18 of the ESEA, as redesignated by subsection (b)(2), is amended to
19 read as follows:
20 "(d) HOLD-HARMLESS AMOUNTS. Notwithstanding any other
21 provision of this section, the Secretary shall make the
22 following minimum payments for the following fiscal years under
23 this section to each local educational agency that was eligible
24 for, and received, a payment under this section for fiscal year

1 1999 but that, as a result of subsection (a)(1)(D), is no longer
2 eligible for a payment under this section:

3 "(1) For fiscal year 2001, 75 percent of the amount
4 it received for fiscal year 1999.

5 "(2) For fiscal year 2002, 50 percent of the amount
6 it received for fiscal year 1999.

7 "(3) For fiscal year 2003, 25 percent of the amount
8 it received for fiscal year 1999.".

9 (d) TECHNICAL AMENDMENTS. Section 8002(b)(1) of the ESEA
10 is amended []

11 (1) in subparagraph (B), by striking out "section
12 8014(a)" and inserting in lieu thereof "section 8014(a)(1)"; and

13 (2) in subparagraph (C), by striking out "section
14 8003(b)(1)(C)" and inserting in lieu thereof "section
15 8003(b)(1)(B)".

16

17 PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN

18 SEC. 803. (a) COMPUTATION OF PAYMENTS. Section 8003(a) of
19 the ESEA is amended []

20 (1) in paragraph (1) []

21 (A) in subparagraph (B), by inserting "or" after
22 the semicolon at the end thereof;

1 (B) in subparagraph (C), by striking out the
2 semicolon at the end thereof and inserting in lieu thereof a
3 period; and
4 (C) by striking out subparagraphs (D) through
5 (G);
6 (2) in paragraph (2), by striking out subparagraphs
7 (C) through (E); and
8 (3) by striking out paragraphs (3) and (4).
9 (b) BASIC SUPPORT PAYMENTS. Section 8003(b) of the ESEA
10 is amended []
11 (1) in paragraph (1) []
12 (A) in subparagraph (A) []
13 (i) by striking out "section 8014(b)" and
14 inserting in lieu thereof "section 8014(a)(2)"; and
15 (ii) by striking out "eligible";
16 (B) by striking out subparagraph (B);
17 (C) by redesignating subparagraph (C) as
18 subparagraph (B);
19 (D) in subparagraph (B), as so redesignated []
20 (i) by striking out "greater" and inserting
21 in lieu thereof "greatest";
22 (ii) by striking out clauses (i) and (ii);
23 (iii) by redesignating clauses (iii)) and
24 (iv) as clauses (i) and (ii);

1 (iv) in clause (i), as so redesignated, by
2 striking out "or" at the end thereof;

3 (v) in clause (ii), as so redesignated, by
4 striking out the period at the end thereof and inserting a
5 semicolon and "or"; and

6 (vi) by adding a new clause (iii) to read
7 as follows:

8 "(iii) the average per-pupil expenditure of
9 all of the States, multiplied by the local contribution
10 percentage for the State."; and

11 (E) by adding at the end thereof a new
12 subparagraph (C) to read as follows:

13 "(C)(i) In determining the items described in
14 clauses (i) through (iii) of subparagraph (B), the Secretary
15 shall use data for the third year preceding the fiscal year for
16 which the calculation of maximum payment amounts under that
17 subparagraph is being made, except as provided in clauses (ii)
18 and (iii) of this subparagraph.

19 "(ii) If the State does not provide all
20 necessary data for the item described in clause (i) of
21 subparagraph (B) by September 30 of the fiscal year preceding
22 the year for which the payments are made, the Secretary shall
23 use the greater of the items described in clauses (ii) and (iii)
24 of that subparagraph.

1 "(iii) If satisfactory data from the third
2 preceding fiscal year are not available for any of the items
3 described in clauses (i) through (iii) of subparagraph (B), the
4 Secretary shall use data from the most recent fiscal year for
5 which data that are satisfactory to the Secretary are
6 available.";

7 (2) in paragraph (2) []

8 (A) in subparagraph (A), by striking out
9 "section 8014(b) and inserting in lieu thereof "section
10 8014(a)(2)";

11 (B) in subparagraph (B) []

12 (i) by striking out clauses (ii) and (iii);

13 (ii) in clause (i) []

14 (I) by striking out the clause
15 designation "(i)"; and

16 (II) by redesignating subclauses (I)
17 and (II) as clauses (i) and (ii), respectively;

18 (iii) by striking out "paragraph (1)(C)"
19 and inserting in lieu thereof "paragraph (1)(B)";

20 (iv) in clause (i), as redesignated by
21 clause (ii)(II), by inserting "one-half of" before "the
22 percentage"; and

23 (v) by amending clause (ii), as
24 redesignated by clause (ii)(II), to read as follows:

1 "(ii) 50 percent."; and
2 (C) by amending subparagraph (C) to read as
3 follows:
4 "(C) RATABLE DISTRIBUTIONS. For each fiscal
5 year described in subparagraph (A), the Secretary shall "
6 "(i) make payments as a ratable
7 distribution based on the computation made under
8 subparagraph (B); and
9 "(ii) ratably increase those payments when
10 the amount available exceeds the total of the amounts determined
11 under subparagraph (B), except that no local educational agency
12 shall receive a payment under this paragraph that exceeds the
13 maximum payment for which it is eligible under paragraph
14 (1)(B)."; and
15 (3) by striking out paragraph (3).
16 (c) TECHNICAL AMENDMENT. Section 8003(c)(1) of the ESEA
17 is amended by striking out "paragraph (2)" and inserting in lieu
18 thereof "subsection (b)(1)(C), paragraph (2) of this subsection,
19 and".
20 (d) CHILDREN WITH DISABILITIES. Section 8003(d) of the
21 ESEA is amended "
22 (1) in paragraph (1) "
23 (A) by striking out "section 8014(c)" and
24 inserting in lieu thereof "section 8014(a)(3)";

1 (B) by striking out "determined" and all that
2 follows through the subparagraph designation "(A)" and inserting
3 in lieu thereof "determined by"; and

4 (C) by striking out "factor of 1.0" and all that
5 follows through the period at the end thereof and inserting in
6 lieu thereof "factor of 1.0."; and

7 (2) in paragraph (2), by striking out "a free
8 appropriate public education" and inserting in lieu thereof
9 "services".

10 (e) HOLD-HARMLESS AMOUNTS. Section 8003 of the ESEA is
11 further amended by striking out subsection (e).

12 (f) HEAVILY IMPACTED LEAS. Section 8003(f) of the ESEA is
13 amended []

14 (1) in paragraph (1), by striking out "section
15 8014(b)" and inserting in lieu thereof "section 8014(a)(2)"; and

16 (2) by amending paragraphs (2) through (4) to read as
17 follows:

18 "(2) ELIGIBILITY. A local educational agency is
19 eligible to receive additional assistance under this subsection
20 only if the Secretary determines that []

21 "(A)(i)(I) federally connected children
22 described in subsection (a)(1) constitute at least 40 percent of
23 the agency's average daily attendance; and

1 "(II) it has a tax rate for general-
2 fund purposes that is at least 100 percent of the average tax
3 rate for those purposes of comparable local educational agencies
4 in the State; or
5 "(ii) its boundaries are the same as those
6 of a military installation;
7 "(B) it is exercising due diligence to obtain
8 State and other financial assistance; and
9 "(C) the agency's eligibility under State law
10 for State aid with respect to the free public education of
11 children described in subsection (a)(1), and the amount of that
12 aid, are determined on a basis no less favorable to it than the
13 basis used in determining the eligibility of local educational
14 agencies for State aid, and the amount of that aid, with respect
15 to the free public education of other children in the State.
16 "(3) MAXIMUM PAYMENTS. The Secretary shall determine
17 the maximum amount that a local educational agency may receive
18 under this subsection as follows:
19 "(A) PER-PUPIL COST FACTOR. The local
20 educational agency shall choose either □
21 "(i) the average per-pupil expenditure of
22 the State in which the agency is located; or

1 "(ii) the average per-pupil expenditure of
2 at least 10 generally comparable local educational agencies in
3 the State.

4 "(B) TOTAL COST FACTOR. The Secretary shall
5 multiply the amount chosen by the agency under subparagraph (A)
6 by the average daily attendance in the agency's schools of
7 children described in subsection (a)(1).

8 "(C) UNMET NEED. The Secretary shall []
9 "(i) multiply []

10 "(I) the amount of funds available to
11 the agency for current expenditures (determined in accordance
12 with subparagraph (D)); by

13 "(II) the percentage of the agency's
14 average daily attendance comprised of children described in
15 subsection (a)(1);

16 "(ii) subtract the amount determined under
17 clause (i) from the amount determined under subparagraph (B);
18 and

19 "(iii) subtract the amount of any payments
20 to the agency for that fiscal year under subsections (b) and (d)
21 of this section.

22 "(D) AMOUNT AVAILABLE FOR CURRENT EXPENDITURES.
23 In determining the amount of funds available in any fiscal year
24 to a local educational agency for current expenditures (as

1 defined in section 8013(4)) under subparagraph (C)(i)(I), the
2 Secretary shall also include, with respect to the local
3 educational agency's opening cash balance for that fiscal year,
4 the portion of that balance that is the greater of []
5 "(i) the amount that exceeds the maximum
6 amount of funds for current expenditures that the agency was
7 allowed by State law to carry over from the prior fiscal year,
8 if State restrictions on those amounts were applied uniformly to
9 all local educational agencies in the State; or
10 "(ii) the amount that exceeds 30 percent of
11 the agency's operating costs for the prior fiscal year.
12 "(4) DATA. In determining a local educational
13 agency's eligibility for, and the amount of, any payment under
14 this subsection for any fiscal year, the Secretary shall use []
15 "(A) student, revenue, expenditure, tax, and
16 other necessary data from the second preceding fiscal year, if
17 the agency (or the State educational agency) provides the
18 Secretary those data within 60 days of being requested in
19 writing to do so; and
20 "(B) if any of those data are not provided by
21 that deadline, such data from the most recent preceding fiscal
22 year for which data that are satisfactory to the Secretary are
23 available.".

1 (g) CHILDREN WITH SEVERE DISABILITIES. Section 8003 of
2 the ESEA is further amended by striking out subsection (g).

3 (h) OTHER FEDERAL FUNDS. Section 8003(h) of the ESEA is
4 amended to read as follows:

5 "(h) OTHER FEDERAL FUNDS. Notwithstanding any other
6 provision of law, a local educational agency may not receive a
7 payment under this section for children claimed in its
8 application if Federal funds (other than funds under this title)
9 provide a substantial portion of the educational program for
10 those children."

11 (i) MAINTENANCE OF EFFORT. Section 8003 of the ESEA is
12 further amended by striking out subsection (i).

13

14 POLICIES AND PROCEDURES RELATING TO
15 CHILDREN RESIDING ON INDIAN LANDS

16 SEC. 804. Section 8004 of the ESEA is amended □

17 (1) by amending the heading to read "INDIAN COMMUNITY
18 PARTICIPATION.";

19 (2) by amending subsection (a) to read as follows:

20 "(a) IN GENERAL. -(1) Any local educational agency that
21 claims children residing on Indian lands for the purpose of
22 receiving funds under section 8003 shall ensure that those
23 children participate in programs and activities supported by
24 those funds on an equal basis with all other children.

1 "(2)(A) Any local educational agency described in
2 paragraph (1) shall ensure that the parents of Indian children
3 and Indian tribes are afforded an opportunity to present their
4 views and make recommendations on the unique educational needs
5 of those children and how those children may realize the
6 benefits of the educational programs and activities of the local
7 educational agency, including the benefits of programs and
8 activities assisted under this Act.

9 "(B)(i) A local educational agency that
10 receives a grant under subpart 1 of part A of title IX of this
11 Act shall comply with subparagraph (A) through activities
12 planned and carried out by the parent committee established
13 under that subpart.

14 "(ii) A local educational agency that does
15 not receive such a grant may form an Indian parent committee to
16 implement subparagraph (A).

17 "(iii) Subject to clause (i), a local
18 educational agency may meet the requirements of subparagraph (A)
19 by carrying out the parental-involvement requirements of section
20 1118 of this Act for all children it claims who reside on Indian
21 lands.

22 "(C) A local educational agency that provides
23 services under part A of title I of this Act for any children
24 residing on Indian lands that it claims for the purpose of

1 receiving funds under section 8003 shall ensure that it complies
2 with section 1118 with respect to those children and their
3 parents.

4 "(3) A local educational agency may use funds
5 provided under section 8003 (other than under section 8003(d)),
6 for activities designed to increase tribal and parental
7 involvement in the education of Indian children, including, but
8 not limited to, parent education, professional development
9 related to the unique educational needs of Indian children, and
10 implementing model educational programs that are proven to be
11 effective for Indian children.";

12 (3) by amending subsection (b) to read as follows:

13 "(b) RECORDS. Each local educational agency described in
14 subsection (a) shall maintain records demonstrating its
15 compliance with that subsection.";

16 (4) by striking out subsection (c);

17 (5) by redesignating subsections (d) through (f) as
18 subsections (c) through (e), respectively; and

19 (6) by amending subsection (c), as so redesignated,
20 to read as follows:

21 "(c) TECHNICAL ASSISTANCE AND ENFORCEMENT. The Secretary
22 shall []

1 "(1) provide technical assistance, as the Secretary
2 finds necessary, to local educational agencies, parents, and
3 Indian tribes to enable them to carry out this section;
4 "(2) recommend activities for local educational
5 agencies to carry out using funds provided under section 8003 to
6 increase tribal and parental involvement; and
7 "(3) enforce this section through such action (which
8 may include the withholding of funds) as the Secretary finds
9 appropriate, after affording the agency, parents, and affected
10 Indian tribes an opportunity to present their views.".

11

12 APPLICATIONS FOR PAYMENTS UNDER SECTIONS 8002 AND 8003

13 SEC. 805. Section 8005 of the ESEA is amended □

14 (1) in subsection (b)(2), by striking out "children
15 residing on Indian lands" and inserting in lieu thereof "Indian
16 community participation"; and

17 (2) in subsection (d) □

18 (A) in paragraph (2), by striking out "except
19 that, notwithstanding section 8003(e)," and inserting in lieu
20 thereof "except that"; and

21 (B) by striking out paragraph (4).

22

1 PAYMENTS FOR SUDDEN AND SUBSTANTIAL INCREASES
2 IN ATTENDANCE OF MILITARY DEPENDENTS

3 SEC. 806. Section 8006 of the ESEA is repealed.

4

5 CONSTRUCTION

6 SEC. 807 . Section 8007 of the ESEA is amended to read as
7 follows:

8 "CONSTRUCTION

9 "SEC. 8007. (a) PAYMENTS AUTHORIZED. From the amount
10 appropriated for each fiscal year under section 8014(a)(4), the
11 Secretary shall make a payment, to assist in the construction of
12 school facilities, to each local educational agency □

13 "(1) that receives a basic payment under section
14 8003(b);

15 "(2) in which the number of children described in
16 section 8003(a)(1)(C) is at least 50 percent of the number of
17 children who were in average daily attendance in the agency's
18 schools; and

19 "(3) that meets the requirements of this section.

20 "(b) APPLICATION. Each local educational agency that
21 wishes to receive a payment under this section shall submit an
22 application to the Secretary at such time, in such manner, and
23 containing such information as the Secretary may require,
24 including □

1 "(1) a description of the agency's assessment of its
2 school-construction needs and the results of that assessment;
3 and

4 "(2) the agency's plan for the use of the funds for
5 which it is applying.

6 "(c) AMOUNT OF PAYMENTS. The amount of a local
7 educational agency's payment under this section shall bear the
8 same ratio to the amount available for all such payments as the
9 number of children described in section 8003(a)(1)(C) for that
10 agency bears to the total number of those children for all
11 agencies eligible for such a payment.

12 "(d) FEDERAL SHARE. (1) The Federal share of a project
13 under this section may not exceed 50 percent.

14 "(2) The Secretary shall not obligate funds under
15 this section with respect to an eligible local educational
16 agency until the Secretary is satisfied that the agency will
17 provide the non-Federal share of the cost of the project.

18 "(3) Any funds that are not obligated with respect to
19 a local educational agency within three years of the approval of
20 its application under this section shall be reallocated to other
21 eligible agencies.

22 "(e) USE OF FUNDS. A local educational agency shall use
23 funds received under this section only for (1)

24 "(1) construction, as defined in section 8013(3); and

1 "(2) minimum initial equipment necessary for the
2 operation of a new or renovated school facility.".

4 FACILITIES

5 SEC. 808. Section 8008(a) of the ESEA is amended by
6 striking out "section 8014(f)" and inserting in lieu thereof
7 "section 8014(a)(5)".

9 STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID

10 SEC. 809. Section 8009 of the ESEA is amended ☐

11 (1) in subsection (a)(1), by striking out "or under"
12 and all that follows through "of 1994");

13 (2) by amending subsection (b)(1) to read as follows:

14 "(1) IN GENERAL. A State may reduce State aid to a
15 local educational agency that receives a payment under section
16 8002 or section 8003(b) (except the amount calculated in excess
17 of 1.0 under section 8003(a)(2)(B)) for any fiscal year only if
18 the Secretary determines, and certifies under subsection
19 (c)(3)(A), that []

20 "(A) the State has in effect a program of State
21 aid that equalizes expenditures for free public education among
22 local educational agencies in the State; and

1 "(B) the average per-pupil expenditure in the
2 State is at least 80 percent of the average such expenditure in
3 the 50 States and the District of Columbia."; and
4 (3) in subsection (d) []
5 (A) in paragraph (1) []
6 (i) by striking out "or under" and all that
7 follows through "of 1994)"; and
8 (ii) in subparagraph (B), by striking out
9 "or under" and all that follows through "of 1994)"; and
10 (B) in paragraph (2), by striking out "or under"
11 and all that follows through "of 1994)".
12

13 FEDERAL ADMINISTRATION

14 SEC. 810. Section 8010 of the ESEA is amended by striking
15 out subsection (c).
16

17 ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW

18 SEC. 811. Section 8011(a) of the ESEA is amended by
19 striking out "or under" and all that follows through "of 1994)"
20 and inserting in lieu thereof "or under its predecessor
21 authorities".
22

FORGIVENESS OF OVERPAYMENTS

SEC. 812. Section 8012 of the ESEA is amended by striking out "under the" and all that follows through "of 1994)" and inserting in lieu thereof "under its predecessor authorities".

DEFINITIONS

SEC. 813. Section 8013 of the ESEA is amended ☐

(1) in paragraph (4), by striking out "and title VI" ;

(2) in paragraph (5) □

(A) in subparagraph (A) □

(i) by striking out "subparagraphs (B) through (F)" and inserting in lieu thereof "subparagraphs (B) through (D)";

(ii) in clause (ii)(V), by striking out "as described in paragraph (10)" and inserting in lieu thereof "as described in clause (iii)"; and

(iii) by amending clause (iii) to read as follows:

"(iii)(I) part of a low-income housing project assisted under the United States Housing Act of 1937; or

"(II) affordable housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996; or"; and

1 (B) by striking out subparagraphs (B) and (F)
2 and redesignating subparagraphs (C) through (E) as subparagraphs
3 (B) through (D), respectively;
4 (3) in paragraph (7), by striking out "or (5)(F)";
5 (4) in paragraph (8)(B), by striking out "all States"
6 and inserting in lieu thereof "the 50 States and the District of
7 Columbia";
8 (5) in paragraph (9)(B)(i), by striking out "or the
9 Act" and all that follows through "of 1994)" and inserting in
10 lieu thereof "(or under its predecessor authority)";
11 (6) by striking out paragraphs (10) and (11); and
12 (7) by redesignating paragraph (12) as paragraph
13 (10).
14

15 AUTHORIZATION OF APPROPRIATIONS

16 SEC. 814. Section 8014 of the ESEA is amended to read as
17 follows:

18 "AUTHORIZATION OF APPROPRIATIONS

19 "SEC. 8014. (a) There are authorized to be appropriated
20 such sums as may be necessary for fiscal year 2001 and for each
21 of the four succeeding fiscal years to carry out each of the
22 following provisions of this title:

23 "(1) Section 8002, payments for Federal acquisition
24 of real property.

1 "(2) Section 8003(b), basic payments; and section
2 8003(f), payments for heavily impacted local educational
3 agencies.

4 "(3) Section 8003(d), payments for children with
5 disabilities.

6 "(4) Section 8007, construction.

7 "(5) Section 8008, facilities maintenance.

8 "(b) Funds appropriated to carry out sections 8007 and
9 8008 shall be available to the Secretary until expended."